

25X1

The Soviet Occupation, 1940-41

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A. The Situation in Brief

1. The Soviet occupation of 1940-41 had definite policies under which it operated; to restore old Russian-German boundaries, to incorporate Lithuania into the USSR, and to completely communize the economic and political structure of the Lithuanian state. Lithuania was brought under the direction of the Communist Party aided by the Red Army and Security police. A quiet but cruel reign of terror was instituted. Urban and county governments were appointed by Soviet-appointed committees which acted as instruments of Communist economic and political doctrine. The administrative divisions of the country were not altered. The censorship and single press system of the USSR were introduced.
2. In economic matters the Soviets moved more slowly than in political affairs, gradually introducing a semi-socialized system under which certain industries were supported and others discouraged. This policy was aided by the former trend toward state socialism under the Lithuanian Republic. Socialization of the railroads, the post office, telegraph and telephone, forestry, and distilling had already largely been completed or had been in progress. The most noticeable effect of the Soviet economic policy was the seizure of private property. All forests, even those as small as one hectare, were seized and small arable areas were given in exchange. By this measure, practically all forest land became state property. Owners of over 30 hectares of property lost all their property without compensation and it was divided among landless peasants. The best of the expropriated estates were made Sovkhozes. Land parcels under 30 hectares were left in the owner's possession, but taxed very heavily. There was no official policy combining these parcels into kolkhozes, but the high taxes were a prelude to such a policy.
3. All laws and regulations were flexible and could be strengthened or relaxed at the will of the administration. Laborers were given special treatment and elevated, in many cases, to high economic and political positions. Since most of these persons were uneducated and unused to positions of responsibility, however, they were unhappy in their new positions and were terrified of the Soviet Communists under whom they had to work. The peasant masses were affected the least by the new regime and were left largely alone.
4. The price structure was the weakest point in the new economic policy. Lithuanian prices could not be adjusted to ruble values and the price structure imposed was an artificial one. The value of the Soviet ruble was several times lower than the value of the Lithuanian litas. The litas was suspended and salaries were paid in an equivalent number of rubles (i.e. one ruble for one litas). As a result, purchasing power dropped sharply, although the wages of laborers and minor officials were raised somewhat (top salaries were cut to a maximum of 1,000 rubles per month). The fixed price system brought on a black market and a shortage of goods. Severe punishment and government propaganda did not alleviate the situation.
5. Administrative offices were left mainly intact, but their directors were replaced. Most professionals were left in their posts. Only the highest in rank or reputation were removed. In general, the Communists respected professional ability even though they surrounded the professionals with Communist officials and humiliating restrictions. The Lithuanian national police were completely replaced. Under the pressure of terror, all administrative offices worked long, hard hours of unpaid overtime. In every instance, the Communists fomented class hatreds; dividing the population into "enemies of the people" and the "peace-loving element" in order to better control the country.

B. The Status of the Soviet Forest Economy During the Period

1. Following World War I and the Bolshevik Revolution, the Soviet forest

economy had been in a very bad condition. The high war-time consumption of wood and the post-war chaos had put a great load on the more easily accessible forests and caused a severe wood shortage in the sparsely forested regions of central and southern European Russia. In Central Russia and the Ukraine, the forests, which had earlier suffered most intensive cutting and were being rehabilitated, were again subjected to indiscriminate and improper cutting. The Ukraine suffered particularly under the German occupation of 1917 and, by the time of the German withdrawal, the Ukrainian forests were almost completely devastated. From 1914-24, the Ukrainian forest density dropped as much as 30%.⁽¹⁾ As a result, severe erosion occurred in certain areas and rivers became shallower.⁽²⁾ The White Ruthenian forests were almost as badly treated as the Ukrainian forests, but the remote Siberian forests were almost untouched during the period. In 1916-18, under the chaotic conditions then present, no regular forest activities were possible. Many ranges were cut down, including trees which would not have matured for 40-60 years. Vast areas around Moscow and Leningrad were completely devastated. Lenin claimed that free access to the wood of these forests saved the Bolshevik Revolution.⁽³⁾

2. 1921-26 was a period of stabilization in Russian forestry. By 1926, the forests were under firm state control and their chaotic exploitation had been halted. A Forestry Code issued in 1923 contained many helpful general regulations which contributed to the ordering of the forest economy. Work plans were begun as early as 1923 in the central portions of European Russia. Cutting limits were set, but they were not generally followed. The First Five Year Plan, 1927-33, was distinguished by a conflict between professional foresters advocating the principle of sustained yield and the new aggressive Communist leaders who were anxious to exploit the forests in order to encourage collectivization of agriculture and industrialization, especially around Moscow^{and} in the Ukraine. The latter group, of course, won.
3. In 1930, the People's Commissariat for Forest Industry was established to take the place of the former Forestry Department of the Ministry of Agriculture. The new Commissariat considered the forests as a wood-producing factory. The administrative forest units (combinations of former forest master districts) were called "lespromkhoz" and were placed under the direction of a Communist Party member, not necessarily a professional forester. The professionals became mere technicians with routine duties (reforestation, conservations, etc.). Scientific principles were abandoned. Timber was cut because it was accessible. As a result, there was severe danger of deforestation, and flood danger and erosion increased sharply. In 1932, a parallel institution, "Mankomles," was established with a mission to manage the forests along vital rivers according to scientific principles in order to protect the water sheds and control floods. Thus, there were two types of forests managed under different principles. The 1932-37 period was the most active period of reform in Soviet forestry.
4. The Second Five Year Plan (1933-37) was marked by an attempt to build up the wood industry and to increase exports (1930 was marked by Soviet dumping of wood products).⁽⁴⁾ The industrialization aim of Russian forestry was stronger than the conservation trend. Increased demand, as a result of general Soviet industrialization, was unable to be supplied from the easily accessible forests, and a considerable shortage resulted. The inadequate Russian transportation system was unable to deliver timber from remote areas in adequate quantities. The severe results of deforestation (erosion, flood, etc.) began to be felt and the conservation policy along the rivers was expedited. A new law in 1936 eased the export situation and exports declined. This marked the triumph of professional forestry over the industrialization faction, and from this point forest exploitation in European Russia began to slow down. The wood shortage continued, however, as industrialization progressed.

C. The Status of the White Ruthenian and Ukrainian Forest Economics During the Period

1. The law of 1936 had divided Soviet forests into two areas: cultivated zones, and industrialization zones. The White Ruthenian and Ukrainian forests were included in the first zone, run under the sustained yield principle, and mainly exploited to satisfy local demands. The forests of both areas were in very bad condition and the forest economies were ruined. The Ukrainian industrialization and consequent increased wood demand had made the wood shortage especially severe. In White Ruthenia, natural production exceeded demand and it was able to export small amounts. In 1936, for example, its production was 5,168,000 feet-meters of timber and it was able to ship 2,137,000 feetmeters (41.4%).⁽⁵⁾ In the same year, the Moscow province produced 4,227,000

festmeters and imported 12,704,000 (75%) and the Ukraine produced 1,870,000 festmeters and imported 10,888,000 (85.3%). Ukrainian wood consumption increased three times from 1912-36.(6)

2. Until 1938, the Ukrainian saw mills annually received about 800 thousand festmeters of timber from the White Ruthenian forests. This amount fulfilled only 20% of the Ukrainian demand. The balance had to be imported from the northern and western Siberian forests. The White Ruthenian timber production was as high as 11,000,000 festmeters annually until 1936, but, after it was transformed into a cultivated (water shed) forest zone, yearly production declined to 180,000 festmeters (1938). The decline in the White Ruthenian supply and the exhausted condition of the Russian and Ukrainian forests forced the Soviets to turn their attention to conquered portions of eastern Poland and the Baltic countries. ✓ The forests in these areas, though badly decimated, were in much better shape than the Russian forests.

D. The Lithuanian Forest Economy Under the Soviets

1. The Soviet occupation of Lithuania met no resistance and was accomplished smoothly within a few days. During the year in which the occupation lasted, all private forests were seized and placed in the state forest system. According to the very imperfect statistics of the time, there were 996,000 hectares of forest.(7) This included 70 thousand hectares of water area managed by the Ministry of Food Industry. The Lithuanian SSR organized by the Soviets included 59,602 sq km with 3,032,864 inhabitants. Forest density was estimated at 16.7%, 0.3 hectares per person and 1.05 F.I.Y., far below average demand. Official estimates of normal production were 2,785,000 festmeters per year.(8) The cutting ratio did not change. The forest stands were badly decimated. But in Vilno, and in Zarasai, Utena, and Trakai Counties ripe timber was still available in some quantity. The pine forests were overcut and light, the spruce forests in the west were exhausted, and 60 year old stands were already gone (the stands were overcut by 10-12 years).(9) There were no changes in logging techniques or methods (clear cut).
2. In the one year of the occupation, the Russians cut approximately 6,000,000 festmeters, two years' normal cutting. The army cut uncontrolled amounts in building defenses along the German border. The defense installations were largely of wood and additional large quantities were consumed as fuel and in road and bridge construction and repair.(10) The army alone cut about 2,500,000 festmeters, about half of which (10 thousand hectares) was cut simply to clear strips along the border or for airfields. As a result of the Russian cutting, general forest density dropped about 1%.
3. In former times, 70% of timber production was consumed as fuel and 30% by industry and export. In spite of the heavy Soviet cutting, however, the Lithuanian population received hardly any structural timber. Almost all of the Soviet production in Lithuania went to supply and build endless new institutions which were established by them. The peasants who were resettled on expropriated land were promised adequate wood supplies to establish themselves, but very little was delivered because the land reform was largely propaganda and collectivization was the end purpose. Fuel wood was in short supply during the occupation but adequate for the time.(11) There was little coal. Supplies promised from the Ukraine never arrived, although a small amount of Silesian coal arrived from Leningrad early in 1941.
4. While the Soviet forestry program had reached an advanced stage of its development by 1940, the Soviets were unable to apply the system to the Lithuanian forests and left the Lithuanian Forestry Department practically intact, especially in the local units. The few changes made included:
 - a. The Forestry Department was separated from the Ministry of Agriculture and reorganized as the "Forest Authority." It followed the pattern on a smaller scale of the Soviet Commissariat of Wood Industry. In addition to the usual divisions, there were four other units which provided technical support, and three miscellaneous boards. The number of workers rose considerably, and more than 60% of them were non-professionals. [See end of report for availability of a sketch of the Soviet Lithuanian Forestry Administration of 1941.]
 - b. The system was further centralized and the details of organization, plus much investigation and inquiry, took many man hours. The official eight-hour day was insufficient and a great deal of unpaid overtime was needed.

- c. An attempt was made to follow Soviet forestry law (Lesnoi Kodeks), but, because the system was in development, circulars were issued constantly and were sometimes changed the same day they were issued.⁽¹²⁾ All work was supervised or checked by Lithuanian Communists or Moscow representatives.
 - d. The chief change in the local units was the great increase in the amount of work required. Most Lithuanian state employees had been members of the Nationalist Party and were deeply engrossed in politics. This was especially true in the rural areas. These people were basically hostile to the Communists but could not be replaced because of the lack of personnel. The Communists squelched the effectiveness of the hostility somewhat by transferring the people to new locations but this wasted a great deal of time and effort. The increased demands on the forests and the new administrative procedures forced all personnel to work long, hard hours. Urgent projects were accomplished under threat of severe punishment.
 - e. Forestry officials were accountable not only to the central administration and their direct supervisors but to local Communist officials, whose interference considerably hampered their activities. In spite of all difficulties, however, huge amounts of work were accomplished. The shift to payment in rubles decreased the living standards of forestry officials 3-4 times. Their supplements in land, etc., became more important to them than ever before. In June 1941, just before the German invasion, there were mass repatriations of Germans (and Lithuanians) to Germany. About 30 forestry officials were included.
 - f. The only change in the forestry schools was in the leadership and in the attempt to build up a pro-Communist organization among the students. This was largely ineffectual. Most of the faculty and students were not Communist minded and, as a result, the forestry schools in Alytus and Vilno were anti-Communist. The educational standards, and number of students and faculty remained about the same. Research efforts did not change appreciably, but there was almost no application of research results to the forests. Research had never been particularly active and the Soviets did not do much to stimulate it. No serious work was published and even publication of Musu Girios was suspended after a few issues. The Association of Lithuanian Foresters was also dissolved. The only forestry articles which appeared were published in official papers. They were mainly for propaganda purposes. They condemned the former forest leadership and praised the Communist aims without listing details, definite goals, or projects.
5. The production of the large quantities of timber and wood products demanded by the Soviets was very difficult for the new Communist regime and was complicated by the hostility of the Lithuanian forestry officials. Basically, the new leaders accepted the old forestry systems except for increasing the cutting rate as much as two times. The overcutting was publicly recognized, but the administration promised to decrease the rate as soon as possible. The heaviest cutting was done in Vilno and eastern Lithuania proper. Pine and spruce logs (4 cm and up in mid diameter, and 4 meters and up in length) were produced in four quality classes. Birch, northern alder, aspen, and oak (same diameter, from two meters up in length) were also produced in four quality classes. Fuel wood was produced in 1-2 meter lengths in two quality classes. Other production included:

Structural bolts (evergreen, alder, and aspen) of equal size
 Mine props - various lengths, up to 25 cm in mid diameter
 Pine and spruce stumps
 Ties (pine)--for both normal and narrow gauge railroads
 Beams (pine)--five meters and up--30 x 30 and up
 Telegraph poles (pine and oak)--10 meters and up--20-25 cm in mid diameter
 Boards--a by-product of tie production.⁽¹³⁾

6. Reforestation

- a. The Soviets had little concern for the reforestation of Lithuania, but they issued a great deal of propaganda to advertise their supposed interest. The autumn reforestation work (seed collection, soil preparation, nursery expansion) was done according to old plans. A new plan existed calling for twice as much as the old yearly quota of reforestation work but it was not fulfilled. The Soviets announced plans for widespread introduction of the black poplar (*populus nigra*), but no new work was

accomplished. The spring (1941) work was not accomplished in full because the peasants, badly paid and terrorized, made excuses to avoid the work. Reforestation was not allowed, of course, along the border strips which the forestry administration was forbidden to enter. It may be estimated that about one-half of the proposed reforestation was not fulfilled. Any work which was done was done badly, not in order to achieve good results, but to make a showing which could provide propaganda material. The methods and results were both unsatisfactory but on about the same scale as in earlier years.

- b. Most of the talk about reforestation concerned plantings on unproductive soils and sand dunes, especially along the Baltic and in the Merkys River area. These projects to date have still not been accomplished. Nothing was planned concerning the establishment of entirely new forests or underbrush control, but a great deal of the latter was cut for fuel in northern Lithuania and in Marijampole and Vilkaviskis before the plan was even officially considered. Efforts were made to produce gum products by the introduction of the herb, cocksagyz, and the cultivation of the native shrubs, evonymus verrucosa and European and verrucosa spindle trees. (The latter, native to almost all the USSR as well as Lithuania, grow 10-15 ft high and have typical verrucose twigs. The root bark contains 25% of dry weight gutta-percha. The shrubs grow well in Lithuania on well-drained, loamy upland soils at the edge of forests, in forest lanes, and in clear-cut areas. They grow dispersed among other formations, not in pure stands, but their artificial reforestation is very possible.)
- c. Another problem considered by the Communists was the restoration of the decimated oak forests in the Lithuanian uplands. There were four regions of optimum oak production in Europe: (1) Slavonia (formerly Austria-Hungary), (2) Volhynia (formerly in Poland), (3) Spessart (Germany), and (4) Lithuania. The Russians had studied the possibilities of oak production on the steppes and were very much interested in oak trees as pioneer reforestation material. Some stands were planted in the 19th Century. (14) In Lithuania oak was important for its protective value in Norway spruce stands and as a producer of veneer and naval timber.

7. Conservation

- a. The Communists were seriously interested in preserving the forests in spite of the amount of overcutting performed. They immediately incorporated the expropriated private forests into the state forest system. The forest guard system worked fairly well since the guards were responsible for damage to their forests and the peasants were terrorized. The Soviets talked of saving the main forest areas, but proposed to follow the old Russian method of transforming the isolated, fragmentary forests which were hard to guard into agricultural land.
- b. As said above, the peasants were too terrorized by the Soviet occupation to dare to steal much wood from the forests. As rumors of a Soviet-German war spread, however, wood thefts increased, especially around the cities which were more short of fuel. There were no extensive forest fires during the period of the occupation. The peasants, who ordinarily were the cause of most fires, were afraid to enter the forests and this kept fire danger at a minimum. There were no changes in the techniques of combating insects and fungi.
- c. The severities of the Communist regime drove many elements of the population into hiding. These persons lived as they could, hiding in barns and sheds and travelling only by night and preferably in the forests. They were not organized and were not in active opposition to the regime. They only desired to remain hidden and to be left alone. The Communists were greatly concerned about their presence and the forest guards had strong orders to watch for them and to report their presence so that local police or NKVD units could hunt them down. Since some of the guards were not in sympathy with Communist rule, they did not always report the presence of fugitives and sometimes hid them in their own buildings. After the order was issued to deport Lithuanians to Siberia, the number of fugitives increased greatly. When the Soviet forces began to withdraw before the Germans, these fugitives formed bands and with other Lithuanian patriots attacked

the Soviets, inflicting many casualties. There were fugitives hiding in the forests through World War II and afterwards, but there are few ranges in Lithuania which are large enough to hide large groups for more than a short time. The larger forests include the Rudniki and Kazlu-Rudos and the stands north of Panevezys.

E. The Lithuanian Wood Economy Under the Soviets

1. Supply and Demand

- a. As noted above, the Communists largely ignored the wood needs of the local population. There was a general shortage of all vital goods, and as a result, while the wood supply was short, the average demand rose to approximately two F.I.Y., or a total of 6,000,000 festmeters. Regulations against private enterprise stifled wood trade and transport. The result of all the Communist innovations was a supply of no more than one-half F.I.Y. or a total of 1,500,000 festmeters, about one-quarter of the demand. Prices rose on the black market to as much as 20-30 rubles for a raummeter of fuel wood. Severe restrictions and punishments did not succeed in stabilizing the situation and the shortages of fuel caused severe hardship during the winter of 1940-41.
- b. The new Communist regime set up an endless number of new state enterprises which required large amounts of wood. Some of them issued requisitions for 10 times as much wood as they could consume. Those in the wood industry field worked two shifts and consumed about 1,200,000 festmeters (fuel included) of timber. There were proposals for exporting approximately 800 thousand festmeters, almost all to the Ukraine and White Ruthenia plus a little to complete old agreements with other European countries. Most of the usual export assortments were manufactured, but lack of labor and transport and overcutting caused most of the timber (about 75%) to be left in the forests where it was seized by the advancing Germans. The difficulties which the population had in getting wood were also experienced by the various wood industries. They could not depend upon scheduled deliveries, and there were serious shortage problems which led to tension, criticism, and even arrests and punishments in these industries.
- c. The only agency which did not suffer from shortages of wood was the Red Army which had abundant transportation and did not hesitate to impress forced labor. The Red Army's logging operations were careless and a great deal of useful residual material was left to the Germans or the local populace when the Soviets retreated. In effect, most of the timber cut during the Soviet occupation never left the country because of the various transportation and other difficulties.
- d. The estimated occupation production of 6,000,000 festmeters of timber was consumed approximately as follows:

(1) Red Army	2,500,000 festmeters	
(2) Native populace	1,500,000	"
(3) Industry and other state institutions	1,200,000	"
(4) Export	<u>800,000</u>	"
TOTAL	6,000,000	"

(15)

2. Transportation

- a. Local transportation of forest products continued to be supplied by the peasantry. Most of the peasants owned horses, wagons or carts, and tools. Under Soviet occupation, they were ordered to supply local transport and labor and coerced to this duty by threats and propaganda. No one refused the duty since in addition to the coercion, relatively high wages were paid and the workers were entitled to buy additional rations of wood. They were also allowed to purchase at official prices oats, hay, nails, and horse shoes, which had already disappeared from the open market. In spite of these inducements and threats, however, vast quantities of untransported wood remained in the forests because of the lack of available transport. Transportation costs were high because various state enterprises competed with each other for the available labor and equipment.

- b. Long distance transport in Lithuania was revolutionized under the Soviet occupation. Historically, wood and wood products had moved westward. Under the occupation, the flow was reversed. Because the rivers flow westward they were of little use for rafting timber. Some of the smaller rivers carried a little timber and the larger rivers were of use above Kaunas. A special bureau was established to control timber rafting. It was directed by professional foresters but its activities were hampered by a shortage of skilled raftsmen. Prior to the occupation, the raftsmen worked for private companies or worked as individuals for the Forestry Department. Under the occupation the raftsmen were forced to work under strict control. They were individualists, proud of their trade, and more than any other forestry group, they resented the Communist regime.
- c. Railroads were forced to carry the bulk of the load in place of the rivers. Russian railroads always have been unsatisfactory and in Lithuania the available lines were even less adequate. They were converted to the Soviet wide gauge and operated on an overloaded schedule under great pressure. Entire trains became lost in the resulting confusion and individual cars were frequently lost and sometimes looted of their contents. NKVD squads patrolled all important stations and special officials watched over the shipments and operations. Severe punishments were invoked when shipments were lost or delayed, but in spite of every measure the railroad operation was always unsatisfactory and large quantities of goods piled up at stations.
- d. The Communists seized all private motor vehicles (730 trucks, mainly five-ton capacity in 1940).⁽¹⁶⁾ No new vehicles, except army types, were brought into Lithuania. The forestry authority received about 30 of the trucks, in various stages of disrepair, and some driven by charcoal. Other state institutions also received trucks for their use and a number of unassigned trucks were placed in a motor pool which rented them out (even to private individuals). Fifty to sixty trucks were busy, mainly in Vilno and Kaunas, transporting fuel wood from railroad dumps to distribution points. The majority of fuel deliveries were still made, however, by cart. One objection to truck transportation was the large amount of loss by theft.

3. Labor and Wages

- a. The peasantry continued to be the main source of logging labor under the occupation but they worked under conditions of force and duress. Wages were relatively high (10-20 rubles a day at winter piece-work rates), and additional fuel (and occasionally structural wood) rations were sold to the workers. Wages for the workers who loaded freight cars and handled timber were lower, only 6-10 rubles a day, an amount sufficient to keep the worker himself alive but not his family. General dissatisfaction with the wages led to a strike in 1940 which caused the forestry administration a great deal of trouble.
- b. Soviet wage and price policies were originally based on the old Lithuanian standards, expressed in rubles rather than lita¹. The Labor Commissariat set wage and price policy and in many cases allowed wages to rise somewhat. Late in 1940 an official party arrived from Moscow to adjust wages and prices to conform to the standards of the USSR. In general, the prices of fats, leather goods, liquor, and manufactured goods were raised, sometimes quite considerably. Wages were raised very little and in some cases they dropped. These circumstances produced considerable dissatisfaction among the workers.⁽¹⁷⁾ As a result of the strike among the timber workers, the Labor Commissariat raised wages somewhat, but the unhappiness continued. Intervention by the NKVD, however, restored "peace and order" and ringleaders of the strike were deported to Siberia. The forestry administration issued a great deal of propaganda following the disturbances, promising the peasants a new order. In order to keep the laborers happy, the administration temporarily paid some wage supplements in kind. For example, sawmill workers were given the litter and remnants for fuel and the transport workers were given additional fuel wood. Most of these supplements were placed on sale in the black market, causing additional trouble for the forestry administration.

4. Industry

- a. The Lithuanian wood industry was immediately seized by Soviet authorities, minutely inventoried, and placed under new management. Fantastic plans were drawn to revive the industry. Worn out machinery and installations were renovated and the industry was put on a two and three-shift basis. Requisitions for timber were tremendous, sometimes exceeding supply by 10 times. This was the result of the inexperience of the Communist functionaries and partially explains why so much timber was cut during the period. The situation in industry was similar to that in 1939 except that employment was 50-100% higher. Ordinary industry timber requirements were 200-300,000 festmeters. The Communists planned to consume 800,000-1,000,000 festmeters. The logging of this amount could be accomplished, but the short period of time during which sled roads were usable was not sufficient to bring all the timber out of the woods. The peasants would only work in wood transport in spring and summer if wages were set very high because these were the months in which they were busy with their own work. Even if it had been possible to bring all the timber out of the forests, however, the railroads would have been unable to deliver it further. Of the 1,200,000 festmeters requisitioned by the wood industry, probably no more than 400 thousand were ever received. (18)
- b. The increased production directed by inexperienced management in many cases resulted in poor quality goods. The assortment manufactured did not change. In Klaipeda, which the Soviets had received under an agreement with Germany, the saw mill and plywood industry was nationalized and the owners were compensated by the German government. A special All-Union Commission, "Exportles," was responsible for fulfilling terms of unexpired contracts with western countries. Most exports went to the USSR proper (paper, cardboard, matches), part went to support other domestic industries, and a very small portion went to supply the population. Lithuanian wood industry production was of better quality than that of the USSR. Its quality products, shipped to the USSR, were exchanged in part for inferior Soviet goods of the same type.
- c. In general, Soviet policy was to exploit Lithuania at the expense of Lithuania's standard of living. To cover its aims, the USSR issued propaganda explaining that the shortages were only temporary. No new wood industry installations of any consequence were established, and the available installations were renovated only so that they could be most fully exploited. Many of the oldest installations had to remain idle because they were of English or German make and spare parts to repair them did not exist in the USSR. Large foreign orders were placed for new machines but they were never delivered.

5. Commerce

- a. Most numerous installations in wood commerce were fuel-wood yards. They, like all commercial enterprises, were seized by the new rulers of Lithuania. Under the occupation, the commercial enterprises were generally very inactive. The fuel yards, except those in the cities, were practically empty with almost no supply for the population. The yards were run by the forestry administration or occasionally by the urban authorities. Forest rangers sold some fuel in the forests according to instructions issued by the local Communist authorities. All prices were fixed and most commercial exchanges were simply bookkeeping transactions between one state enterprise and another. The only cash business was transacted by the population and it was very inactive. The people did not concern themselves with price, but only with the possibility of obtaining goods at any price.
- b. Fuel prices (rubles) in December 1940 were:

Assortment	Wood	Units	PRICES AT VARIOUS LOCATIONS			
			Forest	Transport Collection Yards	Riverside Receiving Yards	Retail Outlets
Fuel (1st Quality)	Birch & Hardwood	1 Raummeter	13.5	20.5	26.0	30.0
	N. Alder	"	12.0	17.5	19.5	24.0
	Pine	"	11.0	16.5	18.5	22.0
	Spruce	"	10.0	13.5	15.5	21.0
	Aspen	"	9.0	12.5	14.5	20.0
(2nd Quality)	Birch & Hardwood	"	9.0	17.5	23.0	27.0
	N. Alder	"	8.0	15.5	17.5	23.0
	Pine	"	7.7	14.5	16.5	21.0
	Spruce	"	7.0	12.0	14.0	19.0
	Aspen	"	6.7	11.0	13.0	18.0

(19)

c. Timber prices (rubles) in December 1940 were:

Wood	Mid-Diam (Cm)	PRICES AT VARIOUS LOCATIONS															
		Forests				Transport Collection Yards				Riverside Receiving Yards				Retail Outlets			
		Quality				Quality				Quality				Quality			
		I	II	III	IV	I	II	III	IV	I	II	III	IV	I	II	III	IV
Pine	8-15	16	15	14	12	30	29	28	25.5	39	38	37	35	43	42	41	38.5
	26-29	39	30	22	13	53	44	36	26.5	62	53	45	36	66	57	49	39.5
	40-up	52	39	27	14	66	53	41	27.5	75	62	50	37	79	66	54	40.5
Spruce	8-15	16	15	13	11	30	29	27	24.5	39	38	36	34	43	42	40	37.5
	26-29	31	25	18	11.5	45	39	32	25	54	48	41	34.5	58	52	45	38
	40-	45	34	22	12	59	48	36	25.5	68	57	45	35	72	61	49	38.5
Birch	-19	18	17	16	15	40	39	38	37	52	51	50	48.5	57	56	55	53
	25-29	31	27	21	15.5	53	49	43	37.5	65	61	55	49	70	66	60	54
	30-up	45	36	25	16	67	58	47	38	79	70	59	49.5	84	75	64	54.5
Oak	8-15	21	20	20	18	43	42	42	40	57	58	55	54	63	62	62	60
	28-35	81	60	39	18.5	103	82	61	40.5	117	96	75	54.5	123	102	81	60.5
	45-up	119	86	51	19	141	108	73	41	155	122	87	55	161	128	93	61
Veneer blocks	50-up	156				178				192				198			

d. Prices (rubles) of other assortments were:

Assortments	Wood	Quality	Units	PRICES AT VARIOUS LOCATIONS			
				Forests	Transport Collection Yards	Riverside Receiving Yards	Retail Outlets
Poles	All types	I II III	1 piece " "	1.5 0.9 0.5	26 1.6 0.9	3.4 2.1 1.2	3.7 2.2 1.3
Pulpwood	Spruce	I (With bark) II (" bark) I (cleaned perfectly) II (cleaned perfectly) I (normal) II (normal)	Raummeter " " " " " "	23 17.5 26 20.5 24 19	40 34.5 43 37.5 41 36	47 41 50 44 48 43	50 45 53 48 51 46
Mine timber	Aspen Spruce & Pine	with bark w/o bark with bark normal	" " " "	14 17 12.5 14.0	31 34 29.5 31	38 41 36.0 37.5	41 44 39.5 41
Shingles	Spruce Pine Alder Aspen		" " " "	21 19.5 16 13	32 30.5 27 24	37.5 36.0 32.5 29.5	41.5 40 36.5 33.5
Structural bundles	Hardwood Alder Spruce Aspen		" " " "	15 12 10.5 9.5	26 23 21.5 20.5	31.5 21.5 27 26	35.5 32.5 31 30
Ties	Pine	D, D1, D2, E, E1, E2 M, M1, M2 M3 N, N1, N2	1 piece " " "	5.5 2.5 3.5 2.2	8.0 3.5 5.0 3.0	9 4 6 3.5	10 4.5 6.5 4
Telephone & telegraph poles	Spruce & Pine	w/o bark	1 F.M.	24.0	38.0	47	51
Stumps	All types		Raummeter	7.5	18.5	24	28
Boards (short, 2 mts long, 2.5")	Pine	I II	1 cu meter "	70 50	90 70	100 80	100 90
Ties	Pine		1 piece	9.5	13.2	16	16.5
Poles	All types		"	0.25	0.5	0.70	0.80
Wagon Tongues	Birch		"	2.6	4.0	4.90	5.20
Timber	Pine		1 F.M.	59	81	93	98
Fuel wood		I II	Raummeter "		3.7	4.4	

6. Export

- a. The Soviets were unable to undertake an active program of wood export. The Lithuanian forests were insufficient to supply even the demands of the Ukraine. One item of importance to the Soviets was aspen wood for matchwood. The production of the Kaunas match factory was increased and its consumption of aspen timber increased from 700 to 10-1200 festmeters per year. Plans were made for cutting 10 thousand festmeters of aspen, the balance of which was to be shipped to White Ruthenia. (20) Birch timber above 30 cm mid-diameter at chest height was greatly prized for aircraft production, but birch was very scarce in Lithuania. Huge amounts (approximately 300 thousand raummeters) of spruce pulpwood were shipped to Germany to fulfill earlier contractual agreements. Large shipments of mine timber were prepared and shipped in part to the Ukraine. A few railroad ties were also exported, but most of this production was consumed within Lithuania in repair of the idle railroad line from Orany to Alytus.
- b. Plans were proposed for an eventual export of about 800 thousand festmeters (400 thousand raummeters of pulpwood, 300 thousand festmeters of mine timber, and 100 thousand festmeters of evergreen and deciduous lumber).

F. Effects of the Soviet Occupation on Lithuania

1. There is no systematic, complete set of data for the period covered by the Soviet occupation. Many records were lost as a result of the German army advance during the summer of 1941 and that which remains is very inaccurate. The occupation was a period of feverish changeover from capitalism to Communism, which was never completed. In June 1941, the Lithuanian economy was still a mixture of capitalism and socialism.
2. In general, the occupation brought terror, suspicion, and forced labor, masked behind a screen of propaganda. On the economic scene, it brought high prices, low wages, the black market, and a general shortage of all goods. The Lithuanian people were told that they had sacrificed their former living standard for the advantages of living under the security of the Soviet system. The forests were robbed of valuable timber stocks for the benefit of other areas of the USSR (diminishing forest density by 1%). Under the occupation, transport failed; industry did not increase as greatly as desired; the domestic wood market was destroyed and a grave wood shortage developed; there was almost no cooperation between population and government; and the relationship was that of the conqueror ruling the conquered.

FOOTNOTES

- (1) Buchholz, E, "Wald und Forstwirtschaft der Osten", 1943, p 77
- (2) Ibid.
- (3) Ibid.
- (4) Ibid, p 80
- (5) Ibid, p 125
- (6) Ibid, p 136
- (7) "Miskininu Kalendorius"
- (8) Ibid, 1941, Par 8, 10
- (9) Author
- (10) Jameikis, "Lietuvos Giriu Milzinai", 1950
- (11) Ibid, p 96
- (12) Ibid.
- (13) "Miskininku Kalendorius", 1941, p 81-86

- (14) Korevo, "Kovensskaya Gubernia", 1867
- (15) Jameikis, 1950, p 90
- (16) Z.U. Statistika, 1948, p 125
- (17) Jameikis, 1950, p 90
- (18) Author
- (19) "Miskininku Kalendorius", 1941, par 84-86
- (20) Jameikis, 1950